

SENATE BILL 2424  
By Tracy

AN ACT to amend Tennessee Code Annotated, Title 29,  
relative to the exercise of eminent domain.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 29, Chapter 17, is amended by adding the following new part 13:

§ 29-17-1301:

As used in this part, unless the context otherwise requires:

(1) "Economic development" means any endeavor to promote or stimulate the economy of a community through expansion of employment opportunities, encouragement of the establishment and growth of commerce and industry, or expansion of the property or sales tax base; and

(2) "Eminent domain" means the power of the state, a political subdivision of the state or an entity to which such power has been delegated, to condemn and take, in whole or in part, private property for public use; provided, that payment of just compensation is made for such property.

§ 29-17-1302.

(a) The state, any political subdivision of the state, or any other entity to which the power of eminent domain has been granted shall not condemn and take private property, if the taking is solely or principally for the purpose of economic development.

(b) This section shall not prohibit condemnation of private property through eminent domain for:

(1) Transportation projects, including public roads and highways, tunnels, bridges, ports, docks, railroads, airports or other projects for public transportation;

(2) Water supply, wastewater, flood control, and drainage projects;

(3) Public buildings and grounds and parks for the use of the state;

(4) Public buildings and grounds and parks for the use of any county or city;

(5) Provision of communication services;

(6) Provision of utility services; and

(7) Operations of a common carrier or energy transporter.

## SECTION 2.

(a) There is hereby created a special joint committee to study the exercise of eminent domain in this state particularly the exercise of eminent domain for the purpose of economic development in light of the recent decision of the United States Supreme Court in *Kelo v. City of New London*, 125 S. Ct. 2655, 162 L. Ed. 2d 439, 2005 U.S. LEXIS 5011 (2005).

(b) The committee shall consist of four (4) members of the house of representatives and four (4) members of the senate, to be appointed by the respective speaker.

(c) All appropriate state agencies shall provide assistance to the special joint committee upon request of the chair.

(d) All members of the special joint committee who are duly elected members of the general assembly shall remain members of such committee until the committee reports its findings and recommendations to the general assembly.

(e) The special joint committee shall be convened by the member with the most years of continuous service in the general assembly, and at its first meeting shall elect a chair, vice-chair, and such other officers the committee deems necessary.

(f) The special joint committee shall timely report its findings and recommendations, including any proposed legislation, to the One Hundred Fifth General Assembly no later than February 1, 2007, at which time the committee shall cease to exist.

SECTION 3. Section 1 of this act shall take effect July 1, 2006, the public welfare requiring it. All remaining sections of this act shall take effect upon becoming a law, the public welfare requiring it.